

MINUTES
PAGE COUNTY BOARD OF SUPERVISORS
REGULAR MEETING
FEBRUARY 16, 2010

Members Present: Johnny Woodward, Chairman, At Large
Robert Griffith, District 1
Larry Sours, District 2
J. D. Cave, District 3
Jeff Vaughan, District 5

Absent: Gerald Cabbage, District 4

Staff Present: Dr. Thomas Cardman, County Administrator
Gene Stewart, Emergency Services Coordinator
Kevin Henry, Director of Planning
Henry Mikus, Director of Public Works
C. R. Suddith, Treasurer
Charlie Campbell, Commissioner of the Revenue
John Thomas, Sheriff
Regina Miller, Executive Secretary

Media & Others Present: Luther Johnson, *Page News & Courier*
20 Citizens

Call to Order:

Chairman Johnny Woodward called to order the regular meeting of the Page County Board of Supervisors on February 16, 2010 at 7:00 p.m. in the General District Court Room, noting a quorum was present. This was followed by the *Pledge of Allegiance* and the Invocation.

Adoption of the Agenda:

Chairman Woodward noted that the agenda needed to be amended to add a Closed Session after Supervisors Time. He indicated that the purpose of Closed Session would be to discuss the acquisition of real property for a county office building.

Motion:

Supervisor Cave moved to adopt the agenda, as amended. Supervisor Sours seconded. The motion carried by a vote of 5-0; aye: Griffith, Sours, Cave, Vaughan, Woodward.

PRESENTATIONS

Audit Presentation:

James Kelly, Robinson, Farmer, Cox Associates, presented the County's audit for year ended June 30, 2009. He pointed out that the financial statements in the report are fairly stated and materially correct and that this is an unqualified opinion. He stated that

the Management's Discussion and Analysis, as prepared by the County Finance Department, is a narrative overview of the activities during the year and he suggested that the Board read this section of the audit. He reviewed that the County ended the year with approximately \$19 million in cash and cash equivalents and \$13 million of that was restricted from capital projects and debt service. The County ended the year with approximately \$14 million in the fund balance but \$8.5 million of that was restricted for capital projects and debt service. Therefore, \$5.5 million was in the unreserved fund balance at June 30, 2009. The \$5.5 million fund balance represents approximately 16% of the County's expenditures for 2009. He pointed out that they normally recommend a fund balance of 20% be maintained but no less than 15% and even though the County is in the area it is within the low end of what they normally recommend. Mr. Kelly then reviewed the income statement, which shows the revenues collected, accrued, and earned versus the amount of expenditures during the year. He said that the County spent about \$3 million more than was brought in last year and this was due mostly to the purchase of land, revenues, and the economy. He reviewed the table that shows the debt owed by each person in the County as approximately \$2,900. He stated that the County received about \$5.8 million in federal assistance for FY 2009 and as a result they are required to perform a single audit of at least 25% of the County's federal expenditures to ensure the County's compliance with the various grant awards. As a result of the audit, he said they had no findings from the compliance testing. Lastly, Mr. Kelly highlighted that at the end of the fiscal year all localities are required to demonstrate their financial ability to cover their current and future post-closure liabilities with the landfill. The Department of Environmental Quality (DEQ) requires a test be performed to determine if the County is financially able to meet the liability. The County, he said, passed this test for FY 2009, but one of DEQ's requirements is that the County's expenditures cannot exceed the revenues by more than 5%. This year the expenditures exceeded the revenues by 6%. Therefore, if the County is in the same situation next year it will not satisfy DEQ's requirements to meet their financial assurance test. However, there are other options available to meet the requirement, but they are more costly than the assurance test they perform.

Report on the Storm Events:

Gene Stewart, Emergency Services Coordinator, updated the Board on the recent snow storm events in the County. He stated that on Thursday, February 4th he prepared the Emergency Operations Center (EOC) located in the basement of the Luray Town offices. He then opened up EOC with anticipation of receiving many calls for needs. He noted that he placed a request to the Department of Emergency Management for the National Guard, along with two humvee teams and a snow mobile. The state honored the request for two humvees but denied the request for a snow mobile. He then requested two additional humvees, for a total of four in order to be stationed in Luray, Stanley, and Shenandoah. This request was granted by military affairs in Richmond. Later, the state sent another truck to the County with a high clearance in order to move through the depth of the snow. He indicated that the National Guard remained in the County through Wednesday and Thursday and during their time in the County they responded to over 200 calls for assistance. In addition to the assistance from the National Guard, Massanutten Resort provided a snow mobile team to assist

with evacuating families from the Rinaca's Corner area in Shenandoah. The American Red Cross opened a shelter in the Stanley Fire Department twice and during both times approximately 15-20 people came through the shelter. Damages as a result of the storms were two poultry houses, which collapsed for a total of \$509,000. In addition, a building in Shenandoah started collapsing and the regional structural team was contacted to come to the scene. The team shored up the walls of the building so if it collapsed it would fall into the building rather than into the street. This damage is estimated to be \$50,000. He then expressed appreciation for the volunteer services in the County during the storms. Also, several businesses and citizens provided meals for the shelters and volunteers. He then indicated that the County can end the local emergency dated from the winter storms in January and February.

Budget Presentation for FY 2010-2011:

Dr. Cardman presented the fiscal year 2010-2011 budget binder to the Supervisors outlining department and agencies budget request as well as expenditure and revenue budgets. The total revenue information is an estimate and will likely change as the County receives updated information from the revenues sources. He noted that Sheriff Thomas sent each Supervisor separate budget request information for his operating areas. The first budget work session is scheduled for February 18th at 6:00 p.m. This session will be to give an overview presentation on revenue issues, historical expenses and to answer any questions prior to budget presentations from the departments and agencies. Lastly, he stated that the capital requests are included in the operating budget requests.

PUBLIC COMMENTS

Chairman Woodward expressed that each speaker will be limited to three minutes and their time will begin when their name is called. However, if someone is representing a group, that individual will be afforded 15 minutes to speak but everyone in the group will not be allowed to comment.

John Rogerson briefly commented about the agenda and where Public Comments is placed. Previously, Public Comments on Agenda Items was placed at the beginning of the meeting and Open Public Comments at the end. He stated that the Chairman can control the meeting without a clock. He felt that next year the County will not meet DEQ's requirement for financial assurance for the landfill because of accepting Warren County's trash at \$31.25 per ton. He said the people who signed the contract with Warren County should be ashamed and he feels the County should try to get out of the contract.

Doris Lansberry remarked that it is disappointing that on the Board's second meeting they decide to limit citizen's comments. She stated that most citizens she has talked with want the EDA eliminated because they have not brought jobs to this County in 30 years, but yet we fund it. Secondly, she stated that she hopes the Board fully funds education in this County. It would be a shame and discredit to the taxpayers if the Board fails to fund schools because it is education that will get these people out of poverty. Thirdly, she expressed opposition to the proposed Fibrowatt plant because it is

a foreign corporation. It burns about 700,000 tons of manure a year to generate 55 mega watts of power and uses several hundred thousand gallons of water daily. She said they have only been in operation for a short period of time but have been found to be in violation of serious environmental issues.

Jim Turner made comments regarding Fibrowatt. He stated that dioxin is an emission that comes from burning chicken litter. He cited several articles concerning dioxin, which he said is a cancer causing carcinogenic. Mr. Turner then commented regarding the airport expansion and cited that in the December 17, 2009 EDA minutes, it stated that the residual has gone down to approximately \$59,000 in the occupancy rates for the rental of the hangars, which is not at the level that will support the debt being paid from the rentals on an annual basis. Current projections for a 12-month period for their annual income will be approximately \$34,000 in their budget but it is closer to \$100,000. He noted that the Town and County will have to provide a subsidy to meet this obligation. He indicated that, according to Mr. Suddith, Page County has spent over \$3 million on economic development.

Jerry Turner made remarks regarding the Fibrowatt project. He stated that the total gross sales of agriculture products sold from Page County \$149,125,000. Out of this, \$138,500,000 is produced from poultry and this shows the importance of the poultry industry in Page County. Years ago, he said, there was opposition of poultry coming into the County, but thankfully it is here, because if not, we would not be any industry here at all. He expressed appreciation to Dr. Cardman for inviting him and Johnnie Housden to be included in the discussions and share information regarding this project. He stated that even though many things are not known at this time, it is worth keeping an open mind and considering. From an economic standpoint, it would be good for Page County.

Johnnie Housden expressed his support for the proposed Fibrowatt project. He asked everyone to keep an open mind and proceed with the process of investigating this business so it can benefit the County farmers.

Mike Uram asked the Board and public to keep an open mind for the betterment of Page County. He then stated that we must be proud of what we have regarding the emergency preparedness in Page County but we also must look forward. We must provide the tools that are critical for our preparedness.

Lee McWhorter commented regarding Fibrowatt and potential health issues caused by exposure to dioxin. Dioxin in the environment comes from waste generating incinerators and it causes cancer. He felt that this company would not be in the County's best interest. He expressed that he is not fond of the idea of the prevailing wind coming from the southwest because of what will come out of the company's smokestack.

Chairman Woodward addressed Ms. Lansberry and he apologized if he offended her by imposing a 3 minutes time limit on the speakers. He said this was his decision and

everyone has proved his point as to why it is necessary, but everyone remained on topic. Regarding Mr. Rogerson's comments about two public comment periods, he said the Board will consider this. Lastly, he stated that the decision on the Fibrowatt project will be made by the Board of Supervisors and not by the EDA. Fibrowatt has not officially decided to come to Page County. The company will be making a presentation to the Board on March 2.

ACTION MATTERS

Health Department Locality Agreement:

Dr. Cardman stated the Health Department Locality Agreement is signed on an annual basis for them to provide the prescribed services to the County citizens. The Board will need to approve the agreement and authorize, either he or the Chairman to execute it.

Motion:

Supervisor Vaughan moved to approve the Health Department Locality Agreement for fiscal year 2009-2010 and to authorize Chairman Woodward to sign. Supervisor Sours seconded and the motion carried by a vote of 5-0. Aye: Griffith, Sours, Cave, Vaughan, Woodward.

Resolution to Implement the People Inc. Proposal:

EXHIBIT A

Kevin Henry, Director of Planning, explained that the Resolution before the Board is for a \$25,000 planning grant that was awarded to Page County in 2009. A Request for Proposals (RFP) was put out for services and one reply was received, which was from People Incorporated. They are currently designated as Page County's community action agency. The basis of the planning grant is to identify and perform studies to address indoor plumbing and housing rehabilitation. Once the project is completed it will allow the County to apply for competitive grant funding next fiscal year under the Community Development Block Grant program.

Supervisor Vaughan expressed concern with receiving only one proposal. He asked when the RFP was solicited and how often it was advertised. Mr. Henry replied it was advertised in September 2009 and RFP's were accepted for four weeks. Dr. Cardman stated that it was advertised in the local newspaper. He said previously People Incorporated requested that the County designate them as the agency to provide these services for the County. As part of their process, the County expected them to do this project but the project had to go through an RFP process. Supervisor Vaughan stated that his issue with receiving only one proposal was that it leaves the issue of non-competitiveness and performance. Dr. Cardman noted that their performance in this grant will not only be reviewed by the Planning Department but they must meet specific requirements from the Department of Housing and Community Development in order for the grant to be funded. It was noted that the passage of the Resolution does not impact the County budget.

Motion:

Supervisor Cave moved to approve the Resolution. Supervisor Vaughan seconded and the motion carried by a vote of 5-0. Aye: Griffith, Sours, Cave, Vaughan, Woodward.

* * * *

#10-04
AUTHORIZING RESOLUTION

WHEREAS, the County of Page, Virginia has designated People Incorporated as the Page County Community Action Agency; and

WHEREAS, Page County, Virginia has been awarded a grant from the Department of Housing and Community Development in the amount of \$25,000 to fund conforming activities within the terms of the grant; and

WHEREAS, People Incorporated has requested Page County, Virginia to enter into a Non-Professional Services Agreement to conduct a comprehensive assessment of the housing and infrastructure needs that will assist low-income persons, as defined, within Page County, Virginia, including its three incorporated towns, which Agreement will be entirely funded by the grant moneys already awarded to Page County; and

WHEREAS, this request is in furtherance of the partnership created by Page County and People Incorporated on December 18, 2007;

NOW, THEREFORE, BE IT RESOLVED: That the Board of Supervisors of the County of Page, Virginia, authorizes and directs the County Administrator to execute all necessary documents to implement the proposal of People Incorporated, as set forth in its letter to Kevin Henry, Planning Director, dated January 8, 2010, a copy of which is attached hereto.

* * * *

Board and Commission Appointments:

Building Code Appeals Board:

The terms of William Bowles (District 1) and Doug Rudolph (District 5) expired on December 31, 2009. Both are eligible for reappointment or other persons can be appointed. The term for this Board is four years.

Motion:

Supervisor Griffith moved to appoint William Bowles to the Building Code Appeals Board as the District 1 representative for a four year term expiring on December 31, 2013. Supervisor Sours seconded and the motion carried by a vote of 5-0. Aye: Griffith, Sours, Cave, Vaughan, Woodward.

Supervisor Vaughan indicated that he is trying to contact Doug Rudolph regarding his appointment. This appointment was deferred until the March 16 meeting.

Board of Zoning Appeals:

Allan Betcher (District 2) recently resigned from the BZA. Another person will need to be appointed to fill the unexpired term through November 8, 2011.

Motion:

Supervisor Sours moved to appoint Dennis Fleming to the Board of Zoning Appeals as the District 2 representative for an unexpired term through November 8, 2011. Supervisor Cave seconded and the motion carried by a vote of 5-0. Aye: Griffith, Sours, Cave, Vaughan, Woodard.

CONSENT AGENDA

Motion:

Supervisor Sours moved to approve the consent agenda as follows:

- Financial reports for the period of January 1, 2010 through January 31, 2010;
- Accounts payable checks, payroll checks, payroll direct deposits, and payroll tax related electronic fund transfers totaling \$1,558,658.39;
- Minutes of January 5, 2010 (work session and organizational meeting) and January 19, 2010.

Supervisor Griffith seconded and the motion carried by a vote of 5-0; aye: Griffith, Sours, Cave, Vaughan, Woodward.

OLD BUSINESS

There was no Old Business for the Board to consider.

NEW BUSINESS

There was no New Business for the Board to consider.

SUPERVISORS TIME

Supervisor Griffith expressed appreciation for the citizens who attended. He thanked the citizens for their comments and said he takes the comments seriously and considers what is said in making decisions.

Supervisor Sours asked the citizens to keep an open mind and not close the options regarding Fibrowatt. He encouraged everyone to attend the March 2 work session when Fibrowatt will make a presentation to the Board. Then everyone can make a decision about it and look at all the options. He expressed that there will be a lot of due diligence conducted on this project. The Farmer's Association knows how badly the poultry industry needs this type of company.

Supervisor Cave thanked the citizens for attending. Regarding the proposed Fibrowatt project, he remarked that the due diligence phase will be thorough and no decisions have been made. He said he gets somewhat distressed when he reads emails that say the County is being run by a group of idiots. This kind of name calling does not get us

very far. He asked that everyone be sensible and look at all sides and hopefully make the kind of decision that is best for the citizens of Page County.

Supervisor Vaughan commented that he hopes the citizens who elected the Board has enough confidence and respect in them to make the most logical decisions and that they do run the County as a business. He said it is not appropriate to spend more money than is received and this has to change. The Board has to be concerned about the future of the County and they will consider the welfare of our community and weigh the pros and cons. The taxpayers are the ones who fund what goes on in this County. The Board does not take that lightly and we are here to make decisions for the citizens. The Board has challenges facing them regarding the budget and will look hard at what is spent. Regarding Fibrowatt, the Board will make sure the public is involved and when the decisions are made their input is heard and decisions will be made based on the facts.

Chairman Woodward thanked everyone for attending the meeting and said he would like more people to get involved. There will be a presentation by Fibrowatt representatives on March 2. Any business that wants to locate in Page County will be strongly considered by the Board because the Board is the body who makes the ultimate decision if they can locate here, not the EDA. He said this company will be reviewed intensely and the Board will conduct their own research.

Closed Session: 8:38 p.m.

Motion:

Supervisor Griffith moved that the Page County Board of Supervisors convene in closed session under the Virginia Freedom of Information Act in order to discuss the acquisition of real property for county offices, pursuant to Section 2.2-3711(A)(3) of the Code of Virginia. Supervisor Cabbage seconded. The motion carried by a roll call vote of 5-0; aye: Griffith, Sours, Cave, Vaughan, and Woodward.

Exit Closed Session: 9:10 p.m.

Motion:

Supervisor Griffith moved the closed meeting be adjourned and the Page County Board of Supervisors reconvene in open session. Supervisor Sours seconded and the motion carried by a vote of 6-0; aye: Griffith, Sours, Cave, Cabbage, Vaughan, and Woodward.

Certification of Closed Meeting:

To the best of my knowledge (i) only public business matters lawfully exempted from open meeting requirements under Section 2.2-3711(A) of the Code of Virginia, 1950, as amended, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting.

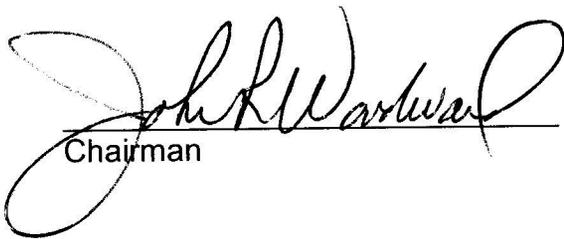
Board of Supervisors
Minutes – February 16, 2010

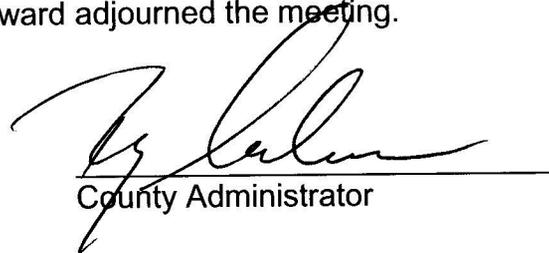
<u>Roll Call Vote:</u>	<u>Aye</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Robert Griffith	X			
Larry Sours	X			
J. D. Cave	X			
Gerald Cabbage			X	
Jeff Vaughan	X			
Johnny Woodward	X			

There was no action as a result of Closed Session

Adjourn: 9:10 p.m.

With no further business, Chairman Woodward adjourned the meeting.


Chairman


County Administrator

#10-04
AUTHORIZING RESOLUTION

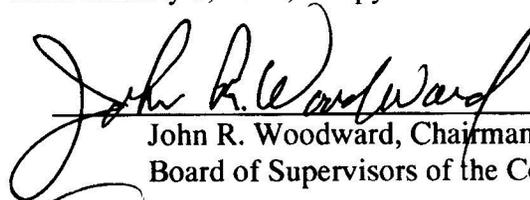
WHEREAS, the County of Page, Virginia has designated People Incorporated as the Page County Community Action Agency; and

WHEREAS, Page County, Virginia has been awarded a grant from the Department of Housing and Community Development in the amount of \$25,000 to fund conforming activities within the terms of the grant; and

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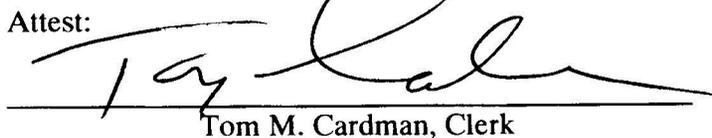
WHEREAS, this request is in furtherance of the partnership created by Page County and People Incorporated on December 18, 2007;

NOW, THEREFORE, BE IT RESOLVED: That the Board of Supervisors of the County of Page, Virginia authorizes and directs the County Administrator to execute all necessary documents to implement the proposal of People Incorporated, as set forth in its letter to Kevin Henry, Planning Director, dated January 8, 2010, a copy of which is attached hereto.



John R. Woodward, Chairman-at-Large
Board of Supervisors of the County of Page, Virginia

Attest:



Tom M. Cardman, Clerk

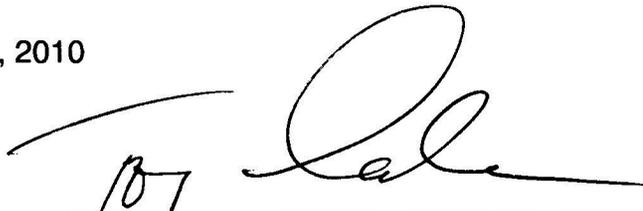
CERTIFICATE OF VOTES

The undersigned Clerk of the Board of Supervisors of Page County, Virginia, hereby certifies that the foregoing Authorizing Resolution constitutes a true and correct copy thereof adopted by the Board of Supervisors at a regular meeting duly held and called on February 16, 2010. A record of the roll-call vote by the Board of Supervisors is as follows:

NAME	AYE	NAY	ABSTAIN	ABSENT
John R. Woodward, Chairman-At-Large	X			
Robert E. Griffith	X			
Larry A. Sours	X			
J. D. Cave	X			
Gerald M. Cabbage				X
Jeffrey P. Vaughan	X			

Dated: February 17, 2010

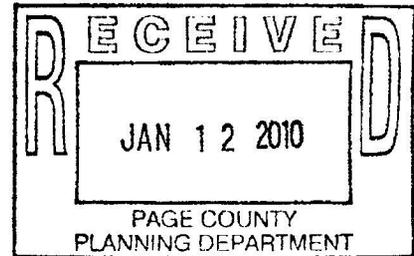
[SEAL]



Clerk, Board of Supervisors
Page County, Virginia

January 8, 2010

Mr. Kevin Henry
Planning Director
Page County, Virginia
117 S. Court Street
Luray, VA 22835



Re: Responses to legal comments regarding People Inc.'s planning grant proposal

Mr. Henry:

Please accept the following information and enclosures as our response to your legal counsel's comments and questions.

1. DHCD utilizes a pay-for-performance system based on an approved budget. People Incorporated will deliver the specified items for the costs indicated on the attached budget; there is no hourly rate. Please note that the budget has been amended to represent the \$25,000 planning grant received by Page County.
2. In the fall of 2008, DHCD allotted Page County \$3,000 to conduct a preliminary housing and infrastructure assessment in preparation for the later award of the CDBG planning grant. At the initial housing management team meeting in July 2008, People Inc. was selected to prepare the preliminary housing and infrastructure assessment; at a public meeting on August 14, 2008, our agency presented the results of this assessment. A copy of the assessment is enclosed for review.
3. The housing market study will involve assessing statistical data, utilizing information from county building officials and the housing management team, and reviewing comprehensive plans to identify emerging housing development trends and to determine which communities and/or towns within the County would be best suited for a housing development/rehabilitation project.
4. As a service to the County, People Inc. could procure services to complete a preliminary engineering report, which will only occur if a housing development site(s) is identified. If Page County has an engineer, this service is not needed. The cost for the PER, if necessary, is reimbursable from grant funds and People Inc. is willing to enable the housing management team to determine contract award. The scope of services provided by People Inc. will be fully delineated if a contract to complete the work is awarded.
5. A financing plan will be developed if the County wishes to pursue grant funding to develop a homeownership program to help first-time, low-to-moderate income residents purchase their own home. This will involve an analysis of median incomes, housing development costs, and available subsidy sources to support first-time homebuyers. The purpose of the financing plan is to identify funding sources, strategies, etc. to help eligible families obtain affordable financing to purchase a home.

People Incorporated of Virginia

Central Office 1173 West Main Street, Abingdon, VA 24210 Phone 276.623.9000 or 276.466.6527 Fax 276.628.2931 Email info@peopleinc.net

Grundy Office 20694 Riverside Drive, Grundy, VA 24614 Phone 276.935.4747 Fax 276.935.4368 Email buchanan@peopleinc.net

Lebanon Office 122 Price Street, Lebanon, VA 24266 Phone 276.889.0999 Fax 276.889.0117 Email russell@peopleinc.net

Clintwood Office P.O. Box 1439, Clintwood, VA 24228 Phone 276.926.5600 Fax 276.926.8244 Email dickenson@peopleinc.net

Bristol Office 800 Martin Luther King, Jr. Boulevard, Bristol, VA 24201 Phone 276.466.5587 Fax 276.466.0728 Email bristol@peopleinc.net

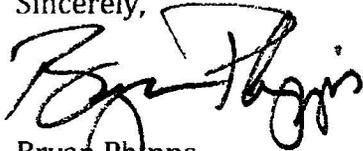
Woodstock Office 150 South Main Street, Woodstock, VA 22664 Phone 540.459.9096 Fax 540.459.8732 Email woodstock@peopleinc.net



6. Should Page County be awarded a subsequent grant to complete project activities identified during the planning grant phase, People Inc. will lead the process of satisfying all pre-contract activities required by DHCD, including but not limited to: preparing advertisements for public hearings, helping facilitate public hearings, completing ability-to-pay worksheets, obtaining clearance from the Department of Historical Resources, and acquiring participation agreements, and any other required activities.
7. A contract between People Incorporated and Shenandoah County for a similar housing assessment pursuant to a DHCD planning grant is enclosed for reference. A subsequent contract between People Inc. and Page County could be based on this template, if deemed acceptable.
8. Technical assistance is the term assigned by DHCD for the proposed services, but a more correct term is non-professional services. The contract between People Incorporated and the County would be worded accordingly.
9. Household surveys will be conducted upon identification of a potential housing rehabilitation project site(s). Ten to 15 houses need to be identified in a concentrated area to constitute a potential project site. If a site is identified, surveys will be conducted door-to-door to determine if the site meets DHCD eligibility requirements. Survey activities are publicized beforehand in targeted communities, and are designed to determine interest and level of need for housing rehabilitation activities. The survey includes questions pertaining to general household income, preliminary assessment of housing and community needs, and willingness to participate in a housing rehabilitation project. A sample survey is enclosed for review.
10. The terminology selected for the certifications is per DHCD specifications; prices are stated per the approved budget.

Should you have any additional questions, please do not hesitate to contact me.

Sincerely,



Bryan Phipps

Vice President for Development